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**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA**

**BASIC FINANCIAL STATEMENTS  
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/10/07

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
BASIC FINANCIAL STATEMENTS  
WITH SUPPLEMENTAL INFORMATION SCHEDULES  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2007**

**TABLE OF CONTENTS**

	<u>Page No.</u>
<b>BASIC FINANCIAL STATEMENTS</b>	
Independent Auditors' Report.....	1
Required Supplemental Information (Part 1 of 2)	
Management's Discussion and Analysis.....	4
Government-Wide Financial Statements	
Statement of Net Assets .....	10
Statement of Activities.....	11
Fund Financial Statements	
Balance Sheet.....	13
Reconciliation of the Governmental Funds Balance Sheet to the	
Government-Wide Statement of Net Assets .....	14
Statement of Revenue, Expenditures and Changes in Fund Balances.....	15
Reconciliation of the Governmental Funds Statement of Revenues,	
Expenditures and Changes in Fund Balances to the	
Statement of Activities.....	16
Notes to Financial Statements	
Index.....	18
Notes .....	19
Required Supplemental Information (Part 2 of 2)	
Budgetary Comparison Schedule.....	30
<b>SUPPLEMENTAL SCHEDULES AND INFORMATION</b>	
Schedule of Per Diem/Compensation Paid to Board Members .....	32

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
BASIC FINANCIAL STATEMENTS  
WITH SUPPLEMENTAL INFORMATION SCHEDULES  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2007**

**TABLE OF CONTENTS**

	<b><u>Page No.</u></b>
Report on Compliance and Other Matters and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	33
Schedule of Findings and Questioned Costs.....	35
Summary Schedule of Prior Year Findings .....	36
Management's Corrective Action Plan .....	37
<b>OTHER REQUIRED SUPPLEMENTARY INFORMATION</b>	
Louisiana's Comprehensive Annual Financial Report .....	39

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## **BASIC FINANCIAL STATEMENTS**

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**MARY SUE STAGES, CPA**  
**A PROFESSIONAL ACCOUNTING CORPORATION**

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*American Institute of Certified Public Accountants*  
*Association of Governmental Accountants*  
*Governmental Audit Quality Control Center*

**INDEPENDENT AUDITORS' REPORT**

Board of Commissioners of the  
Atchafalaya Basin Levee District  
State of Louisiana  
P. O. Box 170  
Port Allen, Louisiana 70767

We have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the Atchafalaya Basin Levee District, a component unit of the State of Louisiana, as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Atchafalaya Basin Levee District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

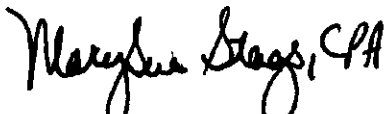
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the Atchafalaya Basin Levee District as of June 30, 2007, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.



The required supplemental information, as listed in the table of contents, is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. This required supplemental information is the responsibility of the Atchafalaya Basin Levee District's management. It has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the basic financial statements taken as a whole.

The accompanying supplemental information listed in the table of contents under Supplemental Schedules and Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2007, on our consideration of the Atchafalaya Basin Levee District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



Mary Sue Stages, CPA  
A Professional Accounting Corporation  
August 24, 2007

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**REQUIRED SUPPLEMENTAL INFORMATION**  
**(PART 1 OF 2)**

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**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

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The purpose of this section is to offer management's discussion and analysis of the Atchafalaya Basin Levee District of the State of Louisiana's (hereafter referred to as the District) financial performance during the year ended June 30, 2007. It should be read in conjunction with the financial report taken as a whole.

**Financial Highlights**

- ◆ The District's assets exceeded its liabilities at the close of the fiscal year by \$11,617,319 that represents a 6% increase from the prior year.
- ◆ The District's revenues increased by approximately \$589,000 or 6%.

**Overview of the Financial Statement Presentation**

These financial statements are comprised of three components – (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. There is also other supplemental information contained in this report provided for additional information.

**Government-wide Financial Statements.** The government-wide financial statements present financial information for all activities of the District from an economic resource measurement focus using the accrual basis of accounting. These provide both short-term and long-term information about the District's overall financial status. They include a statement of net assets and statement of activities.

*Statement of Net Assets.* This statement presents information on all of the District's assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or not.

*Statement of Activities.* This statement presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement is designed to show the District's financial reliance on general revenues.

The government-wide financial statements can be found on pages 10-11 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one category of funds: governmental funds.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

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*Governmental Funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the focus with fund financial statements is to provide a distinct view of the District's governmental funds only. These statements report short-term fiscal accountability emphasizing the use of spendable resources during the year and balances of spendable resources available at the end of the year.

Because the view of governmental funds is short-term and the view of the government-wide financial statements is long-term, it is useful to compare these two perspectives. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provides reconciliation to the government-wide statements to assist in understanding the differences between the two viewpoints.

Governmental funds of the District include a general fund, capital projects and debt service funds. The fund financial statements begin on page 13.

Budgetary comparison schedules are included for governmental funds under required supplemental information – part 2 of 2. These schedules indicate the District's compliance with its adopted and final revised budgets and is found on page 30.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The index of the notes is found on page 18 with the actual notes beginning immediately afterwards.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information.

**Financial Analysis of the District**

Net assets are an indicator of the District's financial position from year to year. A summary of net assets follows.

**SUMMARY OF NET ASSETS  
Governmental Activities  
(in thousands)**

	<u>2007</u>	<u>2006</u>
<b>Assets</b>		
Current assets	\$ 376	\$ 205.
Non-current assets	8,657	8,577.
Capital assets, net	<u>2,949.</u>	<u>2,531.</u>
Total Assets	11,982.	11,313.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

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	<u>2007</u>	<u>2006</u>
<b>Liabilities</b>		
Current liabilities	\$ 151.	\$ 80.
Long-term liabilities	<u>214.</u>	<u>205.</u>
Total Liabilities	<u>365.</u>	<u>285.</u>
<b>Net Assets</b>		
Invested in capital assets, net of related debt	2,949.	2,297.
Unrestricted	<u>8,668.</u>	<u>8,104.</u>
Total Net Assets	<u>11,617.</u>	<u>10,401.</u>

A summary of changes in net assets is as follows:

**SUMMARY OF CHANGES IN NET ASSETS  
Governmental Activities  
(in thousands)**

	<u>2007</u>	<u>2006</u>
<b>Revenues</b>		
Operating grants and contributions	\$ 00.	\$ 164.
Charges for services	62.	00.
General revenues:		
Taxes	3,807.	3,514.
Intergovernmental	469.	455.
Royalties and leases	302.	322.
Miscellaneous revenues	240.	254.
Investment earnings	<u>402.</u>	<u>301.</u>
Total Revenues	5,282.	5,010.
<b>Expenses</b>		
Public safety/flood protection	<u>4,693.</u>	<u>4,383.</u>
Change in net assets	589.	627.
Net assets, beginning	<u>11,028.</u>	<u>10,401.</u>
Net assets, ending	<u>11,617.</u>	<u>11,028.</u>

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

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**Budgetary Highlights**

Revenues were \$195,917 more than anticipated. Expenses were 1% more than expected or \$19,086 for general government and more than expected by \$15,786 or 1% for capital outlay.

**Capital Asset and Debt Administration**

*Capital Assets:* The District's investment in capital assets, net of accumulated depreciation, at June 30, 2007 and 2006, was \$2,948,651 and \$2,531,172, respectively. This year's additions totaling \$857,892 included (1) \$77,671 for five new trucks; (2) \$154,888 for a new tractor; (3) \$337,800 for two motor graders; (4) \$244,248 for heavy equipment and (5) \$43,285 for a trailer.

Capital assets at year-end are summarized as follows:

<b>CAPITAL ASSETS</b>		
<b>Net of Accumulated Depreciation</b>		
<b>Governmental Activities</b>		
<b>(in thousands)</b>		
	<u>2007</u>	<u>2006</u>
<b>Depreciable Assets</b>		
Land	\$ 16.	\$ 16.
Buildings and improvements	1,077.	1,149.
Machinery and equipment	1,725.	1,233.
Vehicles	119.	115.
Furniture and office equipment	12.	18.
Total	<u>2,949.</u>	<u>2,531.</u>

*Long-Term Debt:* Long-term debt of the District includes compensated absences at amounts of \$213,685 and \$204,923 at June 30, 2007 and 2006, respectively.

The District has no other long-term debt.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2007**

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**Economic Environment and Next Year's Budget**

Economic development in Pointe Coupee and West Baton Rouge should have a significant impact on additional ad valorem tax revenues for the District which should help offset the projected increase in employee benefits, fuel costs and insurance premiums for general liability. Also, the change in the District's investment policy together with increases in the market should have a major impact in earnings for the District.

In the preparation of next year's budget, management is not projecting any increases in total revenues until the new assessment rolls become available. Management has projected a 15% increase in insurance costs that may change after new proposals are received in December of 2007. Replacement of equipment is projected at \$678,600 and is dependent upon evaluation of service lives of old equipment in November of 2007.

**Request for Information**

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations and demonstrate the District's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting William Tyson, Executive Director, at P. O. Box 170, Port Allen, Louisiana 70767-0170, 225-387-2249.

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**ATCHAFALAYA BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2007**

<b>ASSETS</b>	<b>Governmental Activities</b>
<b>Current Assets</b>	
Cash and cash equivalents	\$ 349,457.07
Accounts receivable:	
Taxes	5,924.63
Royalties/leases	19,273.05
Other	1,797.79
<b>Total Current Assets</b>	<u>376,452.54</u>
<b>Non-Current Assets</b>	
Investments	8,657,211.47
Capital assets, net of accumulated depreciation:	
Land	16,000.00
Buildings and improvements	1,076,893.13
Machinery and equipment	1,724,634.49
Vehicles	119,276.30
Furniture and office equipment	11,846.81
<b>Total Non-Current Assets</b>	<u>11,605,862.20</u>
<b>Total Assets</b>	<u>11,982,314.74</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts payable	94,571.36
Payroll withholdings and related payables	32,516.44
Accrued salaries payable	23,122.95
Bid bonds/lease deposits	1,100.00
<b>Total Current Liabilities</b>	<u>151,310.75</u>
<b>Non-Current Liabilities</b>	
Compensated absences payable	213,684.88
<b>Total Liabilities</b>	<u>364,995.63</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	2,948,650.73
Unrestricted	8,668,668.38
<b>Total Net Assets</b>	<u><u>11,617,319.11</u></u>

The accompanying notes are an integral part of this financial statement.

**ATCHAFALAYA BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2007**

Functions/Programs Governmental Activities	Program Revenues				Net Revenues (Expenses)
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Public safety/flood protection	\$ 4,693,472.13	\$ 62,452.60	\$ -	\$ -	\$ (4,631,019.53)
Total Governmental Activities/Primary Government	4,693,472.13	62,452.60	-	-	(4,631,019.53)
<b>General Revenues</b>					
Taxes					3,806,564.99
Intergovernmental					469,467.60
Royalties and leases					301,538.78
Miscellaneous revenues					239,853.03
Investment earnings					402,493.11
Total General Revenues					<u>5,219,917.51</u>
Change in Net Assets					588,897.98
Net Assets, beginning					<u>11,028,421.13</u>
Net Assets, ending					<u><u>11,617,319.11</u></u>

The accompanying notes are an integral part of this statement.

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## **FUND FINANCIAL STATEMENTS**

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**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2007**

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	<u>General Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 349,457.07
Investments	8,657,211.47
Accounts receivable:	
Taxes	5,924.63
Royalties/leases	19,273.05
Other	<u>1,797.79</u>
<b>TOTAL ASSETS</b>	<u><u>9,033,664.01</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
Accounts payable	94,571.36
Payroll withholdings and related payables	32,516.44
Accrued salaries payable	23,122.95
Bid bonds/lease deposits	<u>1,100.00</u>
<b>Total Liabilities</b>	151,310.75
 Fund Balances:	
Designated for facility expansion	335,136.77
Unreserved/undesignated	<u>8,547,216.49</u>
<b>Total Fund Balances</b>	<u><u>8,882,353.26</u></u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>9,033,664.01</u></u>

The accompanying notes are an integral part of this statement.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS  
JUNE 30, 2007**

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Total Fund Balances - Total Governmental Funds	\$ 8,882,353.26
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Amounts reported for governmental activities in the  
Statements of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in these funds. This is the reported amount of capital assets net of accumulated depreciation.	2,948,650.73
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in these funds. Long-term liabilities include the following:

Compensated absences	<u>(213,684.88)</u>
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Total Net Assets - Governmental Activities	<u><u>11,617,319.11</u></u>
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The accompanying notes are an integral part of this statement.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2007**

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	<u>General Fund</u>
<b>REVENUES</b>	
Taxes	\$ 3,806,564.99
Intergovernmental revenues:	
Terrebonne Levee and Conservation District	244,175.94
State revenue sharing	225,291.66
Royalties and leases	301,538.78
Interest and dividends	402,493.11
Sale of equipment	182,686.00
Belle River boat landing fees	62,452.60
Other revenues	<u>57,167.03</u>
<b>Total Revenues</b>	<b>5,282,370.11</b>
 <b>EXPENDITURES</b>	
General government	4,244,297.29
Capital outlay	<u>857,892.01</u>
<b>Total Expenditures</b>	<b><u>5,102,189.30</u></b>
 <b>Net Change in Fund Balances</b>	<b>180,180.81</b>
 Fund balances, beginning	<u>8,702,172.45</u>
 Fund balances, ending	<u><u>8,882,353.26</u></u>

The accompanying notes are an integral part of this statement.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT  
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2007**

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Net Change in Fund Balances - Total Governmental Funds	\$ 180,180.81
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	417,479.04
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include the net change in compensated absences.	<u>(8,761.87)</u>
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Change in Net Assets - Governmental Activities	<u><u>588,897.98</u></u>
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The accompanying notes are an integral part of this statement.

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## **NOTES TO FINANCIAL STATEMENTS**

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**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
INDEX TO NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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<u>Note No.</u>	<u>Description</u>	<u>Page No.</u>
	Introduction.....	19
1	Summary of Significant Accounting Policies.....	19
2	Cash and Cash Equivalents .....	24
3	Investments.....	25
4	Capital Assets.....	25
5	Leave.....	26
6	Retirement System .....	27
7	Post Retirement Health Care and Life Insurance Benefits .....	27
8	Leases.....	27
9	Accounts and Other Payables .....	28
10	Long-Term Liabilities.....	28
11	Related Party Transactions.....	28
12	Litigation.....	28
13	Subsequent Events .....	28

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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**INTRODUCTION**

The Atchafalaya Basin Levee District, a component unit of the State of Louisiana, was created by Louisiana Revised Statute 38:291. The District is domiciled in Port Allen and serves as a multi-parish authority to accomplish flood protection through the maintenance of levees and drainage. Its service area includes the parishes of Pointe Coupee, West Baton Rouge and parts of the parishes of Ascension, Assumption, Iberia, Iberville, St. Martin and St. Mary. The District is managed by a Board of Commissioners composed of 14 members that are appointed by the Governor of the State of Louisiana and serve terms concurrent with that of the Governor.

Commissioners, as authorized by Louisiana Revised Statute 38:308, receive a per diem to attend meetings or conduct board-approved business not to exceed \$75 per day. The president receives a salary in lieu of the per diem provision in an amount not to exceed \$1,000 per month.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting practice of the Atchafalaya Basin Levee District conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

**Financial Reporting Entity:** Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the District is considered a component unit of the State of Louisiana because the State exercises oversight responsibility in that the Governor appoints the majority of the board members and public service is rendered within the State's boundaries. The accompanying financial statements present only the transactions of the Atchafalaya Basin Levee District.

**Government-wide Accounting:** In accordance with Government Accounting Standards Boards Statement No. 34, the District has presented a statement of net assets and statement of activities for the District as a whole. These statements include the primary government and its component units, if applicable, with the exception of fiduciary funds. Those funds are reported separately. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

Policies specific to the government-wide statements are as follows:

*Eliminating Internal Activity*

Interfund receivables and payable are eliminated in the statement of net assets except for the net residual amounts due between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses, from one function to another or within the same function, is eliminated in the statement of activities. Allocated expenses are reported by the function to which they were allocated.

*Application of FASB Statements and Interpretations*

Reporting on governmental-type and business-type activities are based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

*Capitalizing Assets*

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year and exceed \$5,000 in cost are capitalized. Infrastructure assets such as roads and bridges are also capitalized along with interest on debt incurred during construction. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the statement of net assets.

Using the requirements of GASB Statement No. 34, the District is considered a Phase 3 government, as its total annual revenues are less than \$10 million. Such governments are not required to report major general infrastructure assets retroactively. The District has opted not to retroactively report these types of capital assets.

*Program Revenues*

The Statement of Activities presents three categories of program revenues – (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the District. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are reserved for a specific use.

*Indirect Expenses*

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the District has chosen not to do so.

*Operating/Non-Operating Revenues*

Proprietary funds separately report operating and non-operating revenues.

*Reserved Net Assets*

Reserved net assets are those for which a constraint has been imposed either externally or by law. The District recognized the use of reserved resources for expenditures that comply with the specific restrictions. Reserved resources are exhausted before unreserved net assets are used.

**Fund Accounting:** The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. Funds of the District are classified under one category: governmental. This category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Funds:** Governmental funds account for all or most of the District's general activities, including the collection and disbursement of specific or legally reserved monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General – accounts for all activities not required to be reported in another fund.

**Basis of Accounting/Measurement Focus:** In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification, and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles and are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy.

The type of financial statement presentation determines the accounting and financial reporting treatment applied to a fund.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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The government-wide statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental and business-type activities are included in the statement of net assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the statement of activities. In these statements, capital assets are reported and depreciated in each fund, and long-term debt is reported.

The fund statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated. Principle and interest paid on long-term debt is reported as current expenses.

**Budgets and Budgetary Accounting:** The District adopts an annual budget for all of its funds, prepared in accordance with the basis of accounting utilized by that fund. The Board must approve any revisions that alter the total expenditures. Budgeted amounts shown are as originally adopted and as amended by the Board. Budget amendments are passed on an as-needed basis. A balanced budget is required.

**Cash and Cash Equivalents:** Cash includes amounts in interest bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**Investments:** Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value, based on quoted market prices, with the corresponding increase or decrease reported in investment earnings.

**Inventory:** Inventory of the District includes only office supplies, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statements.

**Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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**Receivables:** Receivables are recorded net of any allowance for uncollectible amounts in both governmental and business-type activities. Revenues become susceptible to accrual when they become both measurable and available.

**Capital Assets:** The District's assets are recorded at historical cost or estimated historical cost if actual is not available. Donated fixed assets are recorded at their estimated fair value on the date of donation. Its policy is to capitalize assets with an original cost of \$5,000 or more. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Buildings/improvements	40 years	Machinery/equipment	3-10 years
Vehicles	5-10 years	Furniture/office equipment	5-10 years

The District maintains both Mississippi River and Tributaries and Hurricane Protection Levees. While the District mows grass and does minor repairs, major construction is normally done by the U.S. Corps of Engineers. The Division of Administration of the State of Louisiana, in a letter dated June 11, 2002, advised that the District does not provide major and significant improvements or maintenance to these levees that would constitute ownership under the Governmental Accounting Standards Board (GASB No. 34) requirements.

**Compensated Absences:** At June 30, 2007, employees of the District had accumulated and vested \$213,684.88 of employee leave benefits that were computed in accordance with GASB Codification Section C60.150.

**Long-Term Obligations:** In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the statement of net assets. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. Other than compensated absences, the District does not have any long-term obligations.

**Net Assets/Fund Balances:** In the statements of net assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets is as follows:

*Invested in Capital Assets, Net of Related Debt*

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

*Restricted Net Assets*

Net assets that are reserved by external sources such as banks or by law are reported separately as restricted net assets. When assets are required to be retained in perpetuity, these non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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*Unrestricted Net Assets*

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

In the balance sheet of governmental funds, fund balances are segregated as follows:

*Reserved*

These resources are segregated because their use is earmarked for a specific use.

*Unreserved*

This category represents that portion of equity not appropriable for expenditures or legally segregated for a specific future use.

**Interfund Transactions:** All interfund transactions except quasi-external transactions are reported as operating transfers. These are eliminated in the government-wide statements.

**Property Taxes:** Article 6, Section 39 of the Louisiana Constitution of 1974 provides that, for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection and all other purposes incidental thereto, the District may levy annually a tax not to exceed five mills. Ad valorem taxes attach as an enforceable lien on property as of January 1<sup>st</sup> of each year. They are levied in November, billed in December and become delinquent on January 1 of the following year.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding, or custodial bank that is mutually acceptable to both parties.

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Board does not have any deposits that fall within that category. The collected bank balances at June 30, 2007, was \$367,217.98. Deposits of the District are secured with \$100,000 and \$286,146 in pledged collateral.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, La. Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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A summary of cash and cash equivalents (book balances) at June 30, 2007, is as follows:

Interest-bearing demand deposits	\$ <u>349,457.07</u>
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**NOTE 3 – INVESTMENTS**

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured and unregistered, not registered in the name of the entity or are held either by the counter-party or the counter-party's trust department or agent but not in the entity's name. Investments of the District are government and agency securities held by the counter-party's trust department but not in the District's name. A summary of these securities is as follows at June 30, 2007:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain(Loss)</u>
Capital One	\$ 8,602,936.36	\$ 8,657,211.47	\$ 54,275.11

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital Assets, not being depreciated				
Land	\$ 16,000.00	\$ .00	\$ .00	\$ 16,000.00
Capital Assets, being depreciated				
Buildings and improvements	1,667,770.62	.00	.00	1,667,770.62
Less: accumulated depreciation	518,495.71	72,381.78	.00	590,877.49
Net Buildings/Improvements	1,149,274.91	(72,381.78)	.00	1,076,893.13
Machinery and equipment	3,310,015.77	780,221.01	182,686.00	3,907,550.78
Less: accumulated depreciation	2,076,777.25	288,825.04	182,686.00	2,182,916.29
Net Machinery/Equipment	233,238.52	491,395.97	.00	1,724,634.49
Vehicles	722,322.10	77,671.00	.00	799,993.10
Less: accumulated depreciation	607,513.25	73,203.55	.00	680,716.80
Net Vehicles	114,808.85	4,467.45	.00	119,276.30

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Furniture and office equipment	\$ 54,053.11	\$ .00	\$ .00	\$ 54,053.11
Less: accumulated depreciation	<u>36,203.70</u>	<u>6,002.60</u>	<u>.00</u>	<u>42,206.30</u>
Net Furniture/Office Equipment	<u>17,849.41</u>	<u>(6,002.60)</u>	<u>.00</u>	<u>11,846.81</u>
Net Capital Assets, being depreciated	<u>2,515,171.69</u>	<u>417,479.04</u>	<u>.00</u>	<u>2,932,650.73</u>
Net Capital Assets	<u>2,531,171.69</u>	<u>417,479.04</u>	<u>.00</u>	<u>2,948,650.73</u>

Not included in the above capital assets are levees to which the Division of Administration of the State of Louisiana has advised are not owned by the District but to which the District is responsible for maintaining. These include 380 miles of Mississippi River and Tributaries Project levees that lie within the jurisdiction of the District. Of these, 110.5 miles are main line Mississippi River levees and 269.5 miles are Atchafalaya River and Guide levees. These levees were constructed and improved over the past 100 years by both original landowners and federal and state governments. The estimated cost was estimated based on information obtained from the New Orleans District of the U.S. Army Corps of Engineers at \$219,537,364.

**NOTE 5 – LEAVE**

*Annual and Sick Leave.* The District's employees earn and accumulate annual and sick leave at varying rates depending on their years of full-time service. Accumulated leave is carried forward o succeeding years without limitation. Upon termination, employees are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure when leave is actually taken. The cost of leave privileges not requiring current resources is recorded for governmental funds in long-term obligations.

Only annual leave is accrued in the accompanying statement of net assets at \$213,684.88.

*Compensatory Leave.* Non-exempt employees, according to the guidelines contained in the Fair Labors Standards Act, may be paid for compensatory leave earned. Upon termination or transfer, an employee is paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. This pay is based on the employee's hourly rate of pay at the time of termination or transfer. There was no accrued compensatory leave time accrued at June 30, 2007.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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**NOTE 6 – RETIREMENT SYSTEM**

Substantially all of the employees of the District are members of the Louisiana State Employees Retirement System (System), a cost sharing, multiple-employer and defined benefit pension plan. The System is a statewide public retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time employees are eligible to participate. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service plus \$300 for employees hired before July 31, 1986. Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service or (c) age 60 with 10 years of service. An option of reduced benefits at any age with 20 years of service is available. The System also provides death and disability benefits. The System issues an annual financial report that is available to the public including financial statements and required supplementary information of the System. That report may be obtained by contacting the Louisiana State Employees Retirement System, P. O. Box 44213, Baton Rouge, La. 70804, 225-922-0605 or 800-256-3000.

Covered employees are required to contribute 7.5% of gross salary to the plan, and the District is required to contribute an actuarially determined rate as required by Louisiana Revised Statute 11:102. That rate for the year ended June 30, 2007, was 19.1%. Contributions to the System for the years ended June 30, 2007, 2006 and 2005, were \$305,049, \$313,439 and \$282,489, respectively.

**NOTE 7 – POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The District may provide certain continuing health care and life insurance benefits for its retired employees. Substantially all of the District's employees become eligible for those benefits if they reach normal retirement age while working for the District. Those benefits include joint payment of monthly premiums at 50% District and 50% retired person. The cost is recognized as an expense when paid and was \$233,756.28 for the year ended June 30, 2007. There are 31 retirees and 7 surviving spouses participating.

**NOTE 8 – LEASES**

The District does not have any operating or capital leases.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

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**NOTE 9 – ACCOUNTS AND OTHER PAYABLES**

The following is a summary of payables at June 30, 2007:

Class of Payables

Accounts	\$ 94,571.36
Payroll withholdings and related	32,516.44
Accrued salaries	23,122.95
Deposits and other funds held	<u>1,100.00</u>
Total	<u>151,310.75</u>

**NOTE 10 – LONG-TERM LIABILITIES**

Long-term liability activity for the year ended June 30, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated absences	<u>\$ 204,923.01</u>	<u>\$ 45,270.31</u>	<u>\$ 36,508.44</u>	<u>\$ 213,684.88</u>	<u>\$ .00</u>

**NOTE 11 – RELATED PARTY TRANSACTIONS**

There were no related party transactions that require disclosure in the accompanying statements.

**NOTE 12 – LITIGATION**

There is no litigation that would require disclosure in this report.

**NOTE 13 – SUBSEQUENT EVENTS**

There were no events between the close of the year through issuance of this report that would materially impact these financial statements.

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**REQUIRED SUPPLEMENTAL INFORMATION**  
**(PART 2 OF 2)**

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**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 3,768,662.00	\$ 3,768,662.00	\$ 3,806,564.99	\$ 37,902.99
Intergovernmental revenues	421,313.00	421,313.00	469,467.60	48,154.60
Royalties and leases	285,976.00	285,976.00	301,538.78	15,562.78
Interest and dividends	333,290.00	333,290.00	402,493.11	69,203.11
Sale of equipment	182,686.00	182,686.00	182,686.00	-
Belle River boat landing fees	53,126.00	53,126.00	62,452.60	9,326.60
Other revenues	41,400.00	41,400.00	57,167.03	15,767.03
Total Revenues	5,086,453.00	5,086,453.00	5,282,370.11	195,917.11
<b>EXPENDITURES</b>				
Ad valorem tax deductions	124,445.00	117,445.00	113,368.69	4,076.31
Belle River boat landing	230,892.00	230,892.00	232,832.29	(1,940.29)
General and administrative	58,340.00	58,590.00	63,162.79	(4,572.79)
Insurance and surety bonds	143,675.00	126,580.00	127,395.08	(815.08)
Maintenance	21,441.00	21,191.00	43,580.60	(22,389.60)
Materials and supplies	479,495.00	479,495.00	444,320.25	35,174.75
Police protection	13,708.00	13,708.00	14,436.47	(728.47)
Professional services	69,158.00	69,158.00	56,313.73	12,844.27
Salaries and related benefits	3,067,486.00	3,067,486.00	3,099,861.55	(32,375.55)
Travel and conferences	40,666.00	40,666.00	49,025.84	(8,359.84)
Total General Government	4,249,306.00	4,225,211.00	4,244,297.29	(19,086.29)
Capital outlay	861,192.00	861,192.00	857,892.01	3,299.99
Total Expenditures	5,110,498.00	5,086,403.00	5,102,189.30	(15,786.30)
Net Change in Fund Balances	(24,045.00)	50.00	180,180.81	180,130.81
Fund Balances, beginning	8,702,172.45	8,702,172.45	8,702,172.45	-
Fund Balances, ending	8,678,127.45	8,702,222.45	8,882,353.26	180,130.81

See Auditors' Report

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## **SUPPLEMENTAL SCHEDULES AND INFORMATION**

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**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
SCHEDULE OF PER DIEM/COMPENSATION PAID TO BOARD MEMBERS  
JUNE 30, 2007**

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In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, this schedule of per diem or compensation paid to board members is presented for the year ended June 30, 2007.

<u>Name</u>	<u>Amount</u>
<i>Salary</i>	
Grezzafi, John	\$ 4,569.84
Maranto, Michael	<u>7,431.76</u>
Total	<u>12,001.64</u>
<i>Per Diem</i>	
Alexander, Sr., Gerald	2,700.00
Brignac, Ray J.	2,700.00
Flynn, Bill	2,700.00
Grezzafi, John	825.00
Grimmett, Bradley	2,550.00
Hebert, Daniel H.	1,350.00
Judice, Jackie P.	1,125.00
Juge, Stephen	2,025.00
LeBlanc, Jr., Moise J.	1,425.00
Longman, Ralph R.	1,350.00
Maranto, Michael	675.00
Marionneaux, Harry	2,700.00
Matherne, Earl J.	2,550.00
Raymond, John T.	225.00
Rockforte, Nickie W.	<u>1,125.00</u>
Total	<u>26,025.00</u>

See Auditors' Report

**MARY SUE STAGES, CPA**  
**A PROFESSIONAL ACCOUNTING CORPORATION**

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*Louisiana Society of Certified Public Accountants*  
*American Institute of Certified Public Accountants*  
*Association of Governmental Accountants*  
*Governmental Audit Quality Control Center*

**REPORT ON COMPLIANCE AND OTHER MATTERS AND ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners of the  
Atchafalaya Basin Levee District  
State of Louisiana  
P. O. Box 170  
Port Allen, Louisiana 70767

We have audited the financial statements of the business-type activities of the Atchafalaya Basin Levee District as of and for the year ended June 30, 2007, which collectively comprise the Atchafalaya Basin Levee District's basic financial statements and have issued our report thereon dated August 24, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Atchafalaya Basin Levee District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

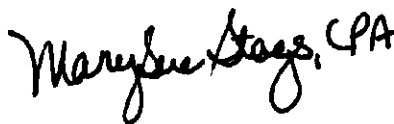
In planning and performing our audit, we considered the Atchafalaya Basin Levee District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Atchafalaya Basin Levee District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Atchafalaya Basin Levee District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management and Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, the Legislative Auditor distributes this report as a public document.



Mary Sue Stages, CPA  
A Professional Accounting Corporation  
August 24, 2007

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2007**

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We have audited the basic financial statements of the Atchafalaya Basin Levee District as of and for the year ended June 30, 2007, and have issued our report thereon dated August 24, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2007, resulted in an unqualified opinion.

**Section I      Summary of Auditor's Reports**

**1.    Report on Internal Control and Compliance Material to the Financial Statements**

Internal Control	Control Deficiency	<input type="checkbox"/> No
	Material Weakness	<input type="checkbox"/> No
Compliance	Compliance Material to F/S	<input type="checkbox"/> No

**2.    Federal Awards**

N/A

**Section II      Financial Statement Findings**

N/A

**Section III    Federal Award Findings and Questioned Costs**

N/A

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
YEAR ENDED JUNE 30, 2007**

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**Section I      Internal Control and Compliance Material to the Financial Statements**

N/A

**Section II      Internal Control and Compliance Material to Federal Awards**

N/A

**Section III      Management Letter**

2004-1 Inadequate Accounting Controls and Supervision	Resolved
<i>Recommendation:</i> Develop a strategy for addressing these deficiencies; assign responsibilities to an individual and monitor the progress; create Policies and Procedures Manual	The District has developed a strategy to strengthen its controls, has assigned a responsible individual and continues to monitors its progress.

**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2007**

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**Section I      Internal Control and Compliance Material to the Financial Statements**

N/A

**Section II      Internal Control and Compliance Material to Federal Awards**

N/A

**Section III      Management Letter**

N/A

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**OTHER REQUIRED SUPPLEMENTARY INFORMATION**

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**ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
LOUISIANA COMPREHENSIVE ANNUAL FINANCIAL REPORT  
JUNE 30, 2007**

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As a component unit of the State of Louisiana, the financial statements of the Atchafalaya Basin Levee District are included in Louisiana's Comprehensive Annual Financial Report. Following are the statements being submitted to the Division of Administration. The amounts recorded have been subjected to the same auditing procedures as those recorded in the accompanying financial statements.

ATCHAFALAYA BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
Annual Financial Statements  
June 30, 2007

C O N T E N T S

Statements

Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities	C
Statement of Cash Flows	D

Notes to the Financial Statements

A.	Summary of Significant Accounting Policies
B.	Budgetary Accounting
C.	Deposits with Financial Institutions and Investments (Information in Appendix B)
D.	Capital Assets – Including Capital Lease Assets
E.	Inventories
F.	Restricted Assets
G.	Leave
H.	Retirement System
I.	Post Retirement Health Care and Life Insurance Benefits
J.	Leases
K.	Long-Term Liabilities
L.	Contingent Liabilities
M.	Related Party Transactions
N.	Accounting Changes
O.	In-Kind Contributions
P.	Deceased Issues
Q.	Cooperative Endeavors
R.	Government-Mandated Nonexchange Transactions (Grants)
S.	Violations of Finance-Related Legal or Contractual Provisions
T.	Short-Term Debt
U.	Disaggregation of Receivable Balances
V.	Disaggregation of Payable Balances
W.	Subsequent Events
X.	Segment Information
Y.	Due to/Due from and Transfers
Z.	Liabilities Payable from Restricted Assets
AA.	Prior-Year Restatement of Net Assets
BB.	Net Assets Restricted by Enabling Legislation (Information in Appendix C)
CC.	Impairment of Capital Assets (Additional Info in Appendix D)
DD.	Employee Termination Benefits

Schedules

1	Schedule of Per Diem Paid to Board Members
2	Schedule of State Funding
3	Schedules of Long-Term Debt
4	Schedules of Long-Term Debt Amortization
15	Schedule of Comparison Figures and Instructions

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
BALANCE SHEET  
AS OF JUNE 30, 2007**

<b>CURRENT ASSETS</b>	Cash and cash equivalents	\$ 349,457
	Investments	26,995
	Receivables (net of allowance for doubtful accounts)(Note U)	
	Due from other funds (Note Y)	
	Due from federal government	
	Inventories	
	Prepayments	
	Notes receivable	
	Other current assets	
	Total current assets	376,453
<b>NONCURRENT ASSETS:</b>		
	Restricted assets (Note F):	
	Cash	
	Investments	
	Receivables	
	Notes receivable	
	Investments	8,657,211
	Capital assets (net of depreciation)(Note D)	
	Land	16,000
	Buildings and improvements	1,076,893
	Machinery and equipment	1,724,634
	Furniture/office equipment	11,847
	Vehicles	119,276
	Other noncurrent assets	
	Total noncurrent assets	11,605,862
	Total assets	\$ 11,982,315

**LIABILITIES**

**CURRENT LIABILITIES:**

Accounts payable and accruals (Note V)	\$ 151,311
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Other current liabilities	
Current portion of long-term liabilities:	
Contracts payable	
Reimbursement contracts payable	
Compensated absences payable (Note K)	
Capital lease obligations - (Note J)	
Claims and litigation payable (Note K)	
Notes payable	
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other long-term liabilities	
Total current liabilities	151,311

**NON-CURRENT LIABILITIES:**

Contracts payable	
Reimbursement contracts payable	
Compensated absences payable (Note K)	213,685
Capital lease obligations (Note J)	
Claims and litigation payable (Note K)	
Notes payable	
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other long-term liabilities	
Total long-term liabilities	213,685
Total liabilities	364,996

**NET ASSETS**

Invested in capital assets, net of related debt	2,948,651
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	8,668,668
Total net assets	11,617,319
Total liabilities and net assets	\$ 11,982,315

The accompanying notes are an integral part of this financial statement.  
Statement A

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2007**

<b>OPERATING REVENUES</b>	
Sales of commodities and services	\$ 62,453
Assessments	
Use of money and property	
Licenses, permits, and fees	
Other	
Total operating revenues	62,453
<b>OPERATING EXPENSES</b>	
Cost of sales and services	
Administrative	4,253,059
Depreciation	440,413
Amortization	
Total operating expenses	4,693,472
Operating income(loss)	(4,631,020)
<b>NON-OPERATING REVENUES(EXPENSES)</b>	
State appropriations	
Intergovernmental revenues (expenses)	469,468
Taxes	3,806,565
Use of money and property	402,493
Gain on disposal of fixed assets	182,686
Loss on disposal of fixed assets	
Federal grants	
Interest expense	
Other revenue	358,706
Other expense	
Total non-operating revenues(expenses)	5,219,918
Income(loss) before contributions and transfers	588,898
Capital contributions	
Extraordinary item - Loss on impairment of capital assets	
Transfers in	
Transfers out	
Change in net assets	588,898
Total net assets – beginning as restated	11,028,421
Total net assets – ending	\$ 11,617,319

The accompanying notes are an integral part of this financial statement.  
Statement B

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Program Revenues</u>				Net (Expense)
			Operating	Capital	Revenue and
		Charges for	Grants and	Grants and	Changes in
	<u>Expenses</u>	<u>Services</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Net Assets</u>
Entity	\$ <u>4,693,472</u>	\$ <u>62,453</u>	\$ <u></u>	\$ <u></u>	\$ <u>(4,631,020)</u>
General revenues:					
Taxes					<u>3,806,565</u>
Intergovernmental					<u>469,468</u>
Grants and contributions not restricted to specific programs					
Interest					<u>402,493</u>
Miscellaneous					<u>541,392</u>
Special items					
Extraordinary item - Loss on impairment of capital assets					
Transfers					
Total general revenues, special items, and transfers					<u>5,219,918</u>
Change in net assets					<u>588,898</u>
Net assets - beginning as restated					<u>11,028,421</u>
Net assets - ending					\$ <u>11,617,319</u>

The accompanying notes are an integral part of this financial statement.  
Statement C

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT BTA)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2007**

<b>Cash flows from operating activities</b>		
Cash received from customers	\$ 67,382	
Cash payments to suppliers for goods and services	(1,128,734)	
Cash payments to employees for services	(3,044,131)	
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		
Net cash provided(used) by operating activities		\$ (4,105,484)
<b>Cash flows from non-capital financing activities</b>		
State appropriations		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Other	4,634,738	
Net cash provided(used) by non-capital financing activities		4,634,738
<b>Cash flows from capital and related financing activities</b>		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets	(857,892)	
Proceeds from sale of capital assets	182,686	
Capital contributions		
Other		
Net cash provided(used) by capital and related financing activities		(675,206)
<b>Cash flows from investing activities</b>		
Purchases/maturities of investment securities	(79,779)	
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities	402,493	
Net cash provided(used) by investing activities		322,714
Net increase(decrease) in cash and cash equivalents		176,762
Cash and cash equivalents at beginning of year		172,695
Cash and cash equivalents at end of year		\$ 349,457

The accompanying notes are an integral part of this statement.  
Statement D (continued)

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
STATEMENT OF CASH FLOWS (Continued)  
FOR THE YEAR ENDED JUNE 30, 2007**

Operating income(loss)		\$ <u>(4,631,020)</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	<u>440,413</u>	
Provision for uncollectible accounts		
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u>4,929</u>	
(Increase)decrease in due from other funds		
(Increase)decrease in prepayments		
(Increase)decrease in inventories		
(Increase)decrease in other assets		
Increase(decrease) in accounts payable and accruals	<u>15,793</u>	
Increase(decrease) in accrued payroll and related benefits	<u>55,639</u>	
Increase(decrease) in compensated absences payable	<u>8,762</u>	
Increase(decrease) in due to other funds		
Increase(decrease) in deferred revenues		
Increase(decrease) in other liabilities		
Net cash provided(used) by operating activities		\$ <u><u>(4,105,484)</u></u>

**Schedule of noncash investing, capital, and financing activities:**

Borrowing under capital lease	\$ _____
Contributions of fixed assets	_____
Purchases of equipment on account	_____
Asset trade-ins	_____
Other (specify)	_____
_____	_____
_____	_____
<b>Total noncash investing, capital, and financing activities:</b>	\$ <u><u>N/A</u></u>

The accompanying notes are an integral part of this statement.  
Statement D (concluded)

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
Notes to the Financial Statements  
As of and for the year ended June 30, 2007**

**INTRODUCTION**

The ATCHAFALAYA BASIN LEVEE DISTRICT (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:1515. The following is a brief description of the operations of ATCHAFALAYA BASIN LEVEE DISTRICT (BTA) that includes the parish/parishes in which the (BTA) is located:

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF ACCOUNTING**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the ATCHAFALAYA BASIN LEVEE DISTRICT present information only as to the transactions of the programs of the ATCHAFALAYA BASIN LEVEE DISTRICT as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the ATCHAFALAYA BASIN LEVEE DISTRICT are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

**Revenue Recognition**

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

**Expense Recognition**

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

**B. BUDGETARY ACCOUNTING**

The appropriations made for the operations of the various programs of the ATCHAFALAYA BASIN LEVEE DISTRICT (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**Notes to the Financial Statements**  
**As of and for the year ended June 30, 2007**

	<u>APPROPRIATIONS</u>
Original approved budget	\$ <u>5,110,498</u>
Amendments:	<u>(24,095)</u>
	<u>                    </u>
	<u>                    </u>
Final approved budget	\$ <u><u>5,086,403</u></u>

**C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (**

**1. DEPOSITS WITH FINANCIAL INSTITUTIONS**

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the ATCHAFALAYA BASIN LEVEE DISTRICT (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
Notes to the Financial Statements  
As of and for the year ended June 30, 2007**

The deposits at June 30, 2007, consisted of the following:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Deposits in Bank Accounts Per Balance Sheet	\$ <u>349,457</u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>349,457.00</u>
Bank Balances of Deposits Exposed to Custodial Credit Risk				
a. Uninsured and uncollateralized	\$ <u>          </u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>-</u>
b. Uninsured and collateralized with securities held by the pledging institution	<u>367,218</u>	<u>          </u>	<u>          </u>	<u>367,218.00</u>
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	<u>          </u>	<u>          </u>	<u>          </u>	<u>-</u>
Total Bank Balances - All Deposits	\$ <u>367,218</u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>367,218</u>

NOTE: The "Total Bank Balances - All Deposits" will not necessarily equal the "Deposits in Bank Account per Balance Sheet" due to outstanding items.

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. <u>Citizen's Bank</u>	<u>Operations</u>	\$ <u>367,218</u>
2. <u>                                  </u>	<u>                                  </u>	<u>                                  </u>
3. <u>                                  </u>	<u>                                  </u>	<u>                                  </u>
4. <u>                                  </u>	<u>                                  </u>	<u>                                  </u>
Total		\$ <u>367,218</u>

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ <u>N/A</u>
Petty cash	\$ <u>N/A</u>

**2. INVESTMENTS**

The ATCHAFALAYA BASIN LEVEE DISTRICT (BTA) does maintain investment accounts as authorized by La. R.S. 33:2955.

**Custodial Credit Risk**

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counter-party's trust department or agent but not in the entity's name.

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**Notes to the Financial Statements**  
**As of and for the year ended June 30, 2007**

3. Derivatives

The institution does not invest in derivatives as part of its investment policy. Accordingly, the exposure to risk from these investments is zero:

**D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS**

Capital asset activity for the year ended June 30, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital Assets, not being depreciated				
Land	\$ 16,000.00	\$ .00	\$ .00	\$ 16,000.00
Capital Assets, being depreciated				
Buildings and improvements	1,667,770.62	.00	.00	1,667,770.62
Less: accumulated depreciation	<u>518,495.71</u>	<u>72,381.78</u>	<u>.00</u>	<u>590,877.49</u>
Net Buildings/Improvements	1,149,274.91	(72,381.78)	.00	1,076,893.13
Machinery and equipment	3,310,015.77	780,221.01	182,686.00	3,907,550.78
Less: accumulated depreciation	<u>2,076,777.25</u>	<u>288,825.04</u>	<u>182,686.00</u>	<u>2,182,916.29</u>
Net Machinery/Equipment	233,238.52	491,395.97	.00	1,724,634.49
Vehicles	722,322.10	77,671.00	.00	799,993.10
Less: accumulated depreciation	<u>607,513.25</u>	<u>73,203.55</u>	<u>.00</u>	<u>680,716.80</u>
Net Vehicles	114,808.85	4,467.45	.00	119,276.30
Furniture and office equipment	\$ 54,053.11	\$ .00	\$ .00	\$ 54,053.11
Less: accumulated depreciation	<u>36,203.70</u>	<u>6,002.60</u>	<u>.00</u>	<u>42,206.30</u>
Net Furniture/Office Equipment	17,849.41	(6,002.60)	.00	11,846.81
Net Capital Assets, being depreciated	<u>2,515,171.69</u>	<u>417,479.04</u>	<u>.00</u>	<u>2,932,650.73</u>
Net Capital Assets	<u>2,531,171.69</u>	<u>417,479.04</u>	<u>.00</u>	<u>2,948,650.73</u>

**E. INVENTORIES**

N/A

**F. RESTRICTED ASSETS**

N/A

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**Notes to the Financial Statements**  
As of and for the year ended June 30, 2007

**G. LEAVE**

**1. COMPENSATED ABSENCES**

The ATCHAFALAYA BASIN LEVEE DISTRICT (BTA) has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of full-time service and were credited at the end of each month of regular service. Accumulated leave is carried forward to succeeding years without limitation. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure when leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligation. The amount of unpaid leave time accrued at June 30, 2007 was \$213,685.

**2. COMPENSATORY LEAVE**

Non-exempt employees, according to the guidelines contained in the Fair Labor Standards Act, may be paid for compensatory leave earned. Upon termination or transfer, an employee is paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. This pay is based on the employee's hourly rate of pay at the time of termination or transfer. There was no accrued compensatory leave time at June 30, 2007.

**H. RETIREMENT SYSTEM**

Substantially all of the employees of the ATCHAFALAYA BASIN LEVEE DISTRICT (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time (BTA) employees are eligible to participate. Benefits vest with 10 years of service. At retirement age employees are entitled to annual benefits equal to 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service plus \$300 for employees hired before July 31, 1986.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service or (c) age 60 with 10 years of service. An option of reduced benefits at any age with 20 years of service is available. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual financial report that is available to the public including financial statements and required supplementary information of the System. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Covered employees are required to contributing 7.5% of gross salary to the plan, and the Board is required to contribute at an actuarially determined rate as required by R.S. 11:102. That rate for the year ended June 30, 2007 was 19.1%. Contributions to the System for the years ended June 30, 2007, 2006 and 2005, were \$305,049, \$313,439 and \$282,489, respectively.

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**Notes to the Financial Statements**  
**As of and for the year ended June 30, 2007**

**I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The Board may provide certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Board's employees become eligible for those benefits if they reach normal retirement age while working for the Board. Those benefits include joint payment of monthly premiums at 50% Board and 50% retired persons. The Board currently has 31 retirees and 7 surviving spouses participating at a cost of \$233,756.28.

**J. LEASES**

**1. OPERATING LEASES**

N/A

**2. CAPITAL LEASES**

Capital leases are not recognized in the accompanying financial statements.

Year ending June 30:	<u>Total</u>
2007	\$ _____
2008	_____
2009	_____
2010	_____
2011	_____
2012-2016	_____
2017-2021	_____
2022-2026	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ <u>N/A</u>

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
Notes to the Financial Statements  
As of and for the year ended June 30, 2007**

**K. LONG-TERM LIABILITIES**

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2007

	Balance June 30, 2006	Year ended June 30, 2007		Balance June 30, 2007	Amounts due within one year
		Additions	Reductions		
<b>Notes and bonds payable:</b>					
Notes payable	\$	\$	\$	\$ --	\$
Reimbursement contracts payable				--	
Bonds payable				--	
Total notes and bonds	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Other liabilities:</b>					
Contracts payable				--	
Compensated absences payable	204,923	45,270	36,508	213,685	--
Capital lease obligations				--	
Claims and litigation				--	
Liabilities payable from restricted assets				--	
Other long-term liabilities				--	
Total other liabilities	<u>204,923</u>	<u>45,270</u>	<u>36,508</u>	<u>213,685</u>	<u>--</u>

**L. CONTINGENT LIABILITIES**

N/A

**M. RELATED PARTY TRANSACTIONS**

N/A

**N. ACCOUNTING CHANGES**

N/A

**O. IN-KIND CONTRIBUTIONS**

N/A

**P. DEFEASED ISSUES**

N/A

**Q. COOPERATIVE ENDEAVORS**

N/A

**R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)**

N/A

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**Notes to the Financial Statements**  
**As of and for the year ended June 30, 2007**

**S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS**

N/A

**T. SHORT-TERM DEBT**

N/A

**U. DISAGGREGATION OF RECEIVABLE BALANCES**

Fund	Taxes	Royalties and Leases	Accrued Interest	Other Receivables	Total Receivables
Operations	\$ 5,925	\$ 19,273	\$	\$ 1,798	\$ 26,995
					-
Total payables	\$ 5,925	\$ 19,273	\$ -	\$ 1,798	\$ 26,995

**V. DISAGGREGATION OF PAYABLE BALANCES**

Payables at June 30, 2007, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
Operations	\$ 94,571	\$ 55,639	\$	\$ 1,100	\$ 151,311
					-
Total payables	\$ 94,571	\$ 55,639	\$ -	\$ 1,100	\$ 151,311

**W. SUBSEQUENT EVENTS**

N/A

**X. SEGMENT INFORMATION**

N/A

**Y. DUE TO/DUE FROM AND TRANSFERS**

1. N/A

**Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS**

N/A

**AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS**

N/A

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**Notes to the Financial Statements**  
**As of and for the year ended June 30, 2007**

**BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46)**

N/A

**CC. IMPAIRMENT OF CAPITAL ASSETS**

N/A

**DD. EMPLOYEE TERMINATION BENEFITS**

N/A

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS**  
**For the Year Ended June 30, 2007**  
**(Fiscal Close)**

Alexander, Sr., Gerald	\$	2,700
Brignac, Ray J.		2,700
Flynn, William		2,700
Grezaffi, John		825
Grimmett, Bradley		2,550
Hebert, Daniel H.		1,350
Judice, Jackie P.		1,125
Juge, Stephen		2,025
LeBlanc, Jr., Moise J.		1,425
Longman, Ralph R.		1,350
Maranto, Michael		675
Marionneaux, Harry		2,700
Matherne, Earl J.		2,550
Raymond, John T.		225
Rockforte, Nickie W.		1,125
	\$	<u>26,025</u>

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

**STATE OF LOUISIANA  
ATCHAFLAYA BASIN LEVEE DISTRICT (BTA)  
SCHEDULE OF STATE FUNDING  
For the Year Ended June 30, 2007  
(Fiscal Close)**

<u>Description of Funding</u>	<u>Amount</u>
1. _____	\$ _____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ <u>N/A</u>

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE  
June 30, 2007  
(Fiscal Close)**

[illegible]

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**SCHEDULE OF NOTES PAYABLE**  
**June 30, 2007**  
**(Fiscal close)**

<b>Issue</b>	<b>Date of Issue</b>	<b>Original Issue</b>	<b>Principal Outstanding 6/30/PY</b>	<b>Redeemed (Issued)</b>	<b>Principal Outstanding 6/30/CY</b>	<b>Interest Rates</b>	<b>Interest Outstanding 6/30/CY</b>
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
<b>Total</b>		\$ <u>          </u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>          </u>		\$ <u>N/A</u>

STATE OF LOUISIANA  
 ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
 SCHEDULE OF BONDS PAYABLE  
 June 30, 2007  
 (Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
		\$	\$	\$	\$		\$
Total		\$	\$	\$	\$		\$ N/A

**STATE OF LOUISIANA**  
**ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)**  
**SCHEDULE OF REIMBURSEMENT CON**  
**TRACTS PAYABLE AMORTIZATION**  
**For The Year Ended June 30, 2007**  
**(Fiscal Close)**

<u>Fiscal Year</u> <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ _____	\$ _____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
Total	\$ _____ --	\$ _____ N/A

**STATE OF LOUISIANA  
 ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
 SCHEDULE OF CAPITAL LEASE AMORTIZATION  
 For The Year Ended June 30, 2007**

<u>Fiscal Year Ending:</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
2007	\$ _____	\$ _____	\$ _____	\$ _____ --
2008	_____	_____	_____	_____ --
2009	_____	_____	_____	_____ --
2010	_____	_____	_____	_____ --
2011	_____	_____	_____	_____ --
2012-2016	_____	_____	_____	_____ --
2017-2021	_____	_____	_____	_____ --
2022-2026	_____	_____	_____	_____ --
2027-2031	_____	_____	_____	_____ --
 Total	 \$ _____ --	 \$ _____ --	 \$ _____ --	 \$ _____ N/A

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
SCHEDULE OF NOTES PAYABLE AMORTIZATION  
For the Year Ended June 30, 2007**

<u>Fiscal Year</u> <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ _____	\$ _____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012-2016	_____	_____
2017-2021	_____	_____
2022-2026	_____	_____
2027-2031	_____	_____
Total	\$ <u>          --          </u>	\$ <u>          N/A          </u>

**STATE OF LOUISIANA  
ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)  
SCHEDULE OF BONDS PAYABLE AMORTIZATION  
For The Year Ended June 30, 2007**

<b>Fiscal Year</b>		<b><u>Principal</u></b>	<b><u>Interest</u></b>
<b><u>Ending:</u></b>			
2007	\$	<u>                    </u>	\$ <u>                    </u>
2008		<u>                    </u>	<u>                    </u>
2009		<u>                    </u>	<u>                    </u>
2010		<u>                    </u>	<u>                    </u>
2011		<u>                    </u>	<u>                    </u>
2012		<u>                    </u>	<u>                    </u>
2013		<u>                    </u>	<u>                    </u>
2014		<u>                    </u>	<u>                    </u>
2015		<u>                    </u>	<u>                    </u>
2016		<u>                    </u>	<u>                    </u>
2017		<u>                    </u>	<u>                    </u>
2018		<u>                    </u>	<u>                    </u>
2019		<u>                    </u>	<u>                    </u>
2020		<u>                    </u>	<u>                    </u>
2021		<u>                    </u>	<u>                    </u>
2022		<u>                    </u>	<u>                    </u>
2023		<u>                    </u>	<u>                    </u>
2024		<u>                    </u>	<u>                    </u>
2025		<u>                    </u>	<u>                    </u>
2026		<u>                    </u>	<u>                    </u>
2027		<u>                    </u>	<u>                    </u>
2028		<u>                    </u>	<u>                    </u>
2029		<u>                    </u>	<u>                    </u>
2030		<u>                    </u>	<u>                    </u>
2031		<u>                    </u>	<u>                    </u>
<b>Total</b>	<b>\$</b>	<u>                    </u> —	<b>\$</b> <u>                    </u> N/A

## STATE OF LOUISIANA

ATCHAFALAYA BASIN LEVEE DISTRICT (BTA)

## COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2007</u>	<u>2006</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ 5,282,370	\$ 5,010,650	\$ 271,720	\$ 6%
Expenses	4,693,472	4,382,908	310,564	7%
2) Capital assets	2,948,651	2,531,172	417,479	17%
Long-term debt				
Net Assets	11,617,319	11,028,421	588,898	6%
Explanation for change:				